

GemEx Systems Success Story

GemEx Systems, Inc. provides technology solutions to the gem and jewelry industry. The business was founded in 1998 by Randy Wagner and Kurt Schoeckert.

The gem industry has been accused of applying highly subjective and confusing standards to determine a diamond's value. GemEx's technology eliminates this problem. GemEx created and patented gemstone-scanning technology that, for the first time, allows diamonds and gemstones to be objectively evaluated and compared. In addition to providing a tool for on-site evaluation, the technology allows diamonds to be viewed and evaluated over the internet, something previously impossible to do.

Diamonds have never before been measured for beauty and sparkle. GemEx was the first to propose, develop, and patent this technology that objectively measures light. This concept is now being imitated by many in the industry. The terms used by GemEx, such as "Light Performance," has become the standard in the industry when describing diamond brilliance. Consumers may access the GemEx technology free of charge through a rapidly expanding list of qualified jewelry retailers.

GemEx had difficulty marketing its product in the start-up stage of the business. The company could not afford to advertise to consumers so it developed a method that its consumers market to other consumers. The technology/service was intended to help the consumer. As this technology has been marketed, it has effectively advertised itself.

GemEx faced its strongest challenge when it had a business plan and began to look for financing. The company had difficulty in raising venture capital as the industry was very reluctant to invest in technology. GemEx changed its business model and was approved for SBA financing. In addition to the SBA loan, the company also obtained angel investor funds due to the owner's having showed a personal financial commitment of the loan. It is conceivable that this would not have been possible without the aid of the SBA loan.

Randy has successfully built a company and developed a technology that is revolutionizing the gemstone and diamond industries. Consumers have been shown an easy way to purchase and compare diamonds. Randy's business has distinguished itself in the diamond industry with rapid growth in sales and profits expected for the next three years.

SBA is proud to have played a part in assisting this enterprising entrepreneur in the success of his business.

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